

# Investing in certification today will bring company profits tomorrow

Through the adoption of the ISO standards, many organisations see not only improvements in their operations and images but also more business opportunities.

## An effective tool to show competence

According to the survey report published by the International Organization for Standardization (ISO) in 2017, the ISO 9001 Quality Management System and ISO 14001 Environmental Management System are the management system certification standards with the largest numbers of certificates issued in Hong Kong. Meanwhile, clearly on the rise is local demand for certain other standards. These include the ISO/IEC 27001 Information Security Management Systems, the ISO 22000 Food Safety Management Systems and the ISO 50001 Energy Management Systems.

The Chief Executive Officer of the Hong Kong Quality Assurance Agency, Dr Michael Lam, says, "This growing demand for obtaining certification for the aforementioned standards reflects the emphasis placed by enterprises and organisations on their management performance. This new emphasis is likely in direct response to the demands of consumers, clients, business partners and other stakeholders."

The ISO has, from time to time, introduced new and updated standards. Examples of the latest additions and revisions include the ISO 45001 Occupational Health and Safety Management Systems and the ISO 14064-1 international standard for quantification and reporting of greenhouse gas emissions and removals. "Attaining relevant certification can be a good investment," says Dr Lam. "Certification is an effective tool to show one's competence. It helps assure compliance of management systems with international standards, thus enhancing credibility as well as customers' confidence. An organisation can apply to a certification body accredited by the Hong Kong Accreditation Service of the HKSAR Government for certification in order to show its commitment to delivering consistent quality services and products that meet customers' expectations."

## Latest development of certification

To introduce the latest development of certification, the Hong Kong Council for Testing and Certification and Hong Kong Accreditation Service co-organised the Seminar on Latest Development of Certification in January 2019. Speakers were invited to talk about the benefits of obtaining certification from different perspectives.

## New ISO 45001 improves company efficiency

Continental Engineering Corporation (CEC) is an international engineering and construction company. Its Hong Kong branch office (CEC Hong Kong) obtained the new

ISO 45001 certification last June. It is among the first batch of civil engineering companies in Hong Kong that received the certificate.

ISO 45001 stresses the importance for organisations to provide a safe and healthy working environment for their employees and help them identify, assess and control the risks related to occupational health and safety (OHS). The organisations are also encouraged to adopt precautionary measures to enhance its OHS performance.

According to Jack Lai, the firm's HSE Manager, the management of CEC Hong Kong realised that eventually the ISO 45001 standard would become a pre-requisite for future works projects. "We quickly came to the conclusion that instead of taking a wait-and-see approach, we wanted to get the certificate as soon as practically possible. Having certification can bring added opportunities," says Lai.

He remembers that his team closely followed the development of the standard during its late development stage and before the release of the standard. Right after the release, the company conducted a series of essential training sessions and spent an additional three months getting all the requirements in proper order for the certification.

CEC Hong Kong, an operation with about 130 employees, was not new to the practices in relation to the OHS management system, as it was certified to the old OHSAS 18001. "What is new about the ISO 45001 standard, compared to the outgoing OHSAS 18001, is the need for the leadership of a company to be engaged in the operation. In addition, both physical health and mental health of its employees are now covered explicitly," says Lai.

"Possessing ISO 45001 is a benchmark for a contractor in the construction industry," explains Lai. "It allows clients, stakeholders and the wider public to better understand CEC Hong Kong's commitment and performance regarding OHS. More importantly, implementing ISO 45001 helps create a health and safety culture since both the leadership and employees are encouraged to take an active role in the



**Jack Lai, HSE Manager of Continental Engineering Corporation (Hong Kong Branch Office), points out that ISO 45001 allows clients, stakeholders and the wider public to better understand his company's commitment and performance regarding occupational health and safety.**

system of work and resources."

Lai adds that it is virtually impossible to eliminate all accidents. With the ISO 45001 certification, however, CEC Hong Kong has developed its own management system that helps minimise all foreseeable accidents and achieve the company's ultimate goal of "Zero Incidents," thus greatly improving the efficiency of the company.

## Environment-related certification makes a better community

Stephen Yu, Operations, Compliance and Risk Director, British Standards Institution, was invited to share his views on the development of certification on the environmental front.

ISO 14001 helps enterprises enhance environmental performance and manage environmental risks, while ISO 50001 ascertains enterprises' current energy use status to promote efficient energy use and attain continual improvement in energy management. Yu remembers, back

in the late 1990s, the difficult time he had trying to persuade enterprises and organisations to adopt ISO 14001 when it was first released. "The standard dealt with an organisation's environmental impact and protection policy. Back then, many organisations did not see what their environmental stance had to do with running a business."

"Two decades later, people's mentality has seen a sea change, and in 2011 when the ISO 50001 Energy Management standard was released, the business community embraced it," says Yu, "When talking of energy management, people quickly come to realise that it is about energy usage, be it electricity, gas or petroleum—and this has a direct impact on the operational health of an enterprise. We have seen 'huge growth' in the demand for the ISO 50001 Energy Management certification." The second edition of the ISO 50001 Energy Management standard, released last August, is now in use.



**Participants gained an insight into the latest development of certification at the Seminar on Latest Development of Certification held in January 2019.**

Many business decision-makers might hesitate to adopt the standards, fearful of possibly more resources investment required. Yet Yu dismisses this idea. "Companies adopting the standards need not necessarily deploy new innovations or costly cutting-edge energy-efficient technology," he says. "We've seen multiple examples where workplace policy improvements can potentially account for up to 10 per cent of energy costs saved. For example, organisations could encourage employees to turn off lights during lunch hours."

Yu also looks beyond the impact of the existing standards on the business community. "Regardless of the type of standard adopted, the organisations need to go through the same Plan-Do-Check-Act cycle, which results in continual improvements. And this has never been a complicated process," Yu says. He emphasises that the habit of being careful about energy conservation should not be restricted to business. "Such practice should be promoted to the wider community - starting right in our own families. Certification helps make excellence a habit. Not only does the adoption of various energy management standards bring about quality improvement in the organisations concerned, but it also has the power to change the course of development of the wider community, for the better," adds Yu.



**Dr Michael Lam, CEO, Hong Kong Quality Assurance Agency, says that the growing demand for various certifications reflects the emphasis placed by enterprises and organisations on different management performances.**



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